

SECRETARY TO GOVERNMENT, PUBLIC WORKS DEPARTMENT.—The suggestion will be considered.

MR. H. M. CHANNABASAPPA.—In the meanwhile, what objection could the Government have to charge only dry assessment considering that there is not sufficient supply of water at present?

SECRETARY TO GOVERNMENT, PUBLIC WORKS DEPARTMENT.—Even the quantity now available can be turned to better account by judicious use. At present, I am convinced that there is much of wastage.

Working of the Sri Krishnarajendra Mills after it came under Government Management.

MESSRS. D. S. MALLAPPA (Tiptur Taluk) and G. K. MALLAPPA (Tiptur Municipality).—

Q.—23. Will the Government be pleased to state:—

(a) In what year was the Sri Krishnarajendra Mills taken under Government management?

(b) Since then, each year, what financial results have been achieved by the company after setting apart interest on the advances made by the Government and what were the amounts provided each year as interest charges towards Government advances?

(c) What is the amount of depreciation set apart each year ever since the management was taken up by Government?

(d) What additions were made to the Mills after it was taken up by Government for management and what is the amount involved?

(e) How many of the improvements made have been charged to annual expenses and how many to borrowed amounts (each amount to be separately stated)?

(f) What steps have been taken from time to time to make the Mills yield profits?

(g) What are all the different articles manufactured and the amounts up to which each article is manufactured annually ever since the Mills came under Government management and the amount of sales made each year?

R.A.

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—

A.—23. (a) From 1st July 1931.

(b)—

Result of working after setting apart interest on Government advances	Amount of interest due and paid to Government
1-7-31 to 31-12-31, Rs. 40,442 loss.	Rs. 75,373
1-1-32 to 31-12-32, Rs. 1,189 profit	1,20,450
1-1-33 to 31-12-33, Rs. 2,02,781 loss.	1,27,756

(c)—	Rs.
1-7-31 to 31-12-31 ..	65,695
1-1-32 to 31-12-32 ..	89,477
1-1-33 to 31-12-33	Not provided for.

(d) Additions made are—	Rs.
1. Creche ..	1,079
2. Increasing capacity of storage water tank ..	1,440
3. Canteen building ..	297
4. Extension to go-downs..	2,253
5. Extension to dye-house and store-room ..	2,583
6. Installation of sprayers in the roofing of spinning department ..	1,456
7. Construction of latrines ..	400
8. Purchase of chain-stitch machine for hosiery department ..	300
9. Installation of electric lights on account of night work ..	8,552
10. Extension of waste shed ..	638
Total ..	17,598

(e) The expenditure on account of the above additions and improvements was met from the Government advance and charged to capital.

(f) The more important steps taken are:—

- (1) Working double shift of 17 hours till the middle of August 1934 and for 20 hours in two shifts of 10 hours thereafter.
- (2) Development of markets for the Mills products and intensive sales campaign.
- (3) Reduction in working costs by drastic economies and

increasing efficiency and output.

(g) Cotton yarns—single, twofold and dyed—cotton and silk hosiery and waste (bye-product). Information regarding production and sales is of a confidential nature and cannot be furnished.

MR. D. S. MALLAPPA.—In the year 1932, the Mills showed a profit in working. What is the reason for subsequent losses?

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—The profit for the year 1932 was due to the good prices commanded by yarn. The losses in subsequent years were due to the fall in prices.

MR. D. S. MALLAPPA.—To what head are these losses debited?

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—They will be carried forward.

MR. D. S. MALLAPPA.—Why not own that they are losses to Government, in view of the fact that the working capital has been provided by the Government?

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—Whatever working capital has been provided has been regarded only as an advance; and so long as the management rests with the company, neither profits nor losses can be regarded as belonging to the Government.

MR. D. S. MALLAPPA.—Is it not a matter of mere book adjustment?

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—Certainly not.

MR. D. S. MALLAPPA.—Is there any chance of the Government recouping the advance in view of the deterioration of the securities?

FIRST MEMBER OF COUNCIL.—It is not desirable to discuss that question because, in the first place, it relates to a commercial concern and, in the second place, the entire question is engaging the attention of the Government.

MR. N. G. SANJEEVIAH.—The Government furnishing the answer to question (b) furnishes figures showing the result of working after setting apart interest

on Government advances. If this implies that interest has been paid by the Mills, may I know to which particular treasury the amount has been remitted?

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—Notice.

MR. N. G. SANJEEVIAH.—May I at least know the exact amount paid in the shape of interest?

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—Notice.

MR. M. A. GOPALASWAMI IYENGAR.—Is it not a fact that these Mills took up the production of cotton hosiery goods subsequent to other private mills giving it up as unprofitable?

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—Notice.

MR. M. A. GOPALASWAMI IYENGAR.—Is the question of opening a weaving section under contemplation?

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—The question is under examination.

MR. M. SUBBAYYA.—Are the Government satisfied that the Mills will earn profits if a weaving section is added on to it?

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—That is part of the question under consideration.

MR. M. SUBBAYYA.—If the Government are assured that the opening of a weaving section will enable the Mills to make profits, would it not be desirable to open it without any waste of time?

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—It all depends upon the result of the examination.

MR. S. C. MALLIAH.—What is the total amount of loans advanced to the Mills so far and at what rate of interest?

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—The total block capital loan is Rs. 16 lakhs and the interest charged is 5½ per cent.

MR. S. C. MALLIAH.—Is any other financial accommodation given?

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—Yes, a cash credit to the extent of Rs. 8 lakhs has been allowed for working capital.

MR. S. C. MALLIAH.—What is the security for the amount?

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—The company is responsible for it. Because cash credit to the extent of Rs. 8 lakhs has been allowed, it does not necessarily mean that the whole of it will be actually availed of.

MR. S. C. MALLIAH.—Are the Government satisfied that there is adequate security for all the amounts advanced and the cash credit allowed?

FIRST MEMBER OF COUNCIL.—As I already observed, this is a matter which had better not be discussed on the floor of this House.

REPRESENTATIONS—(Continued).

No. 10.—Reduction of the rate of compensation in revenue sales.

Messrs. Venkatagiri Rao, Melavarige, and Venkatagiriappa, Kanle, Sagar Taluk.

MR. VENKATAGIRI RAO represented that the compensation to be awarded to the sale purchasers of lands sold for arrears of land revenue may be reduced from 5 per cent to 1 per cent.

THE FIRST MEMBER OF COUNCIL regretted that it was not possible to accede to the request.

No. 11.—Grant of Government lands free of cost to poor landless raiyats as in the case of Adikarnatakas.

MR. M. S. PUTTARAMA SETTY, Magadi Taluk.

MR. M. S. PUTTARAMA SETTY represented that many people in the State were labouring under difficulties without food and drink, without houses or quarters to live in and without money for undertaking any profession or calling. When landless people applied for the grant of lands, the practice obtaining at present was to dispose of such lands by public auction. Government were quite aware that when such people somehow managed to collect a small sum of money for obtaining the land in public auction, they were prevented from securing the same by rich people who competed and obtained the lands by offering higher bids. Consequently, poor people were unable to improve their position. For these reasons he prayed that lands might be arranged to

be given free of cost to poor landless people without any distinction.

THE REVENUE COMMISSIONER observed that it was only in very special cases that land was given free of cost and it may not be possible for the Government to accept a general request of this nature.

MR. PUTTARAMA SETTY suggested that a general rule be framed to the effect that in all specially deserving cases, lands should be granted free of cost.

THE REVENUE COMMISSIONER replied that a general rule to that effect would by itself serve no purpose. Besides, it was not a matter in which discretion could be allowed to the local officers. Each case would have to go up to Government and if the circumstances warranted, Government would be prepared to show concessions.

MR. H. K. MADIAH said he was glad that such special concessions were being shown in the case of Adikarnatakas and wanted that similar concessions should be extended to the other communities also, considering that there were many persons even among those communities who deserved such a concession.

MR. K. V. VEERANNA also supported this view.

MESSRS. ABDUL KHALIL and H. K. MADIAH brought to notice that even if the departmental officers were satisfied that an applicant was in need of special concession, they were invariably bringing to auction the concerned land for the reason that more than one application was received. Very often, it so happened that the moment a really deserving man applied for a particular land, several others, including well-to-do persons would also put in applications, with the result that, much to the detriment of the former, the land would be auctioned out. As a result of such a procedure, landless people continued as such, while well-to-do persons went on acquiring more and more land.

MR. V. VENKATAPPA brought to notice that in all cases where lands had been granted free of cost on account of such special considerations, they were of very poor quality so that the applicants never got any benefit out of them. Good land was never granted and